

AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

## ASSEMBLY BILL

No. 2267

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Introduced by Assembly Member ~~Bigelow~~ *Beth Gaines*

February 21, 2014

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~~An act to amend Section 5002.4 of the Public Resources Code, relating to the state park system. An act to add Section 5004.3 to the Public Resources Code, relating to state parks.~~

### LEGISLATIVE COUNSEL'S DIGEST

AB 2267, as amended, ~~Bigelow~~ *Beth Gaines*. ~~State park system. State park system: budgeting.~~

*Existing law places responsibility of the state park system, which includes all parks, public camp grounds, monument sites, landmark sites, and sites of historical interest established or acquired by the state, with the Department of Parks and Recreation. Existing law requires the department to gather, digest, and summarize, in its annual reports to the Governor, information concerning the state park system and the relation to the state park system of other available means for conserving, developing, and utilizing the scenic and recreational resources of the state. Existing law requires each state agency to submit to the Department of Finance a complete and detailed annual budget setting forth all expenditures and estimated revenues for the ensuing fiscal year.*

*This bill would require the department, commencing with the 2015–16 budget proposal, to annually develop and publish state operation expenditures for the state park system to assist in the development of the Governor's annual budget proposal. The bill would require the department, in cooperation with the Department of Finance, to provide*

*individual park unit expenditures analyses, as specified. The bill would require the department, by January 1, 2016, to develop and implement a plan to annually track expenditures made at park units and report the park unit expenditures that were made in the prior fiscal year, that were made and anticipated to be made in the current fiscal year, and that are presented in the Governor's current budget proposal for the next fiscal year.*

~~Under existing law, the Department of Parks and Recreation controls the state park system, which is made up of units. Existing law requires the department to prepare or revise a general plan for a unit, as specified, and requires the department to furnish a copy of the general plan for any unit of the state park system for which a plan has been prepared to any Member of the Legislature upon request.~~

~~This bill would make technical, nonsubstantive changes to these state park system provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     *SECTION 1. The Legislature finds and declares the following:*
- 2     *(a) The California State Auditor's Office, in its February 2013*
- 3     *audit of the Department of Parks and Recreation (department),*
- 4     *documented and reported all of the following:*
- 5     *(1) Over the years, the department has reported different fund*
- 6     *balance amounts, usually lesser amounts, to the Department of*
- 7     *Finance, which are used in preparing the Governor's budget, than*
- 8     *it reported to the Controller's office, which are used in the*
- 9     *Controller's budgetary report, for both the State Parks and*
- 10    *Recreation Fund and the Off-Highway Vehicle Trust Fund. The*
- 11    *difference in reported amounts created confusion among the public*
- 12    *and decisionmakers regarding the actual balance in each fund.*
- 13    *Additionally, the differences may have resulted in the Legislature*
- 14    *and the Governor using inaccurate financial information when*
- 15    *making budgetary decisions concerning the department.*
- 16    *(2) The department does not budget or track expenditures at*
- 17    *the park level and uses outdated information to develop estimated*
- 18    *operating costs for its parks.*
- 19    *(3) The estimated operating costs used by the department only*
- 20    *include the direct costs of the parks, not indirect costs, such as a*

1 park's share of statewide costs for accounting, payroll processing,  
2 and procurement. The department asked the districts to develop  
3 new estimated operating costs for parks on the closure list.  
4 However, the estimates were difficult to compare to the  
5 department's earlier estimates because the districts' estimates  
6 were not consistent in terms of the time periods they covered or  
7 their completeness.

8 (b) Following the February 2013 audit, the department  
9 developed a process to calculate each park's past expenditures  
10 and future costs, which would, when fully implemented, provide  
11 the department with necessary criteria to complete an analysis  
12 regarding the closure of parks required by state law. However, in  
13 its September 2013 audit, the California State Auditor's Office  
14 found that the department had not fully implemented the process  
15 for tracking expenditures at the park level and, without a complete  
16 and fully implemented process to calculate park unit costs, the  
17 department cannot comply with the provisions of state law or  
18 provide accurate information to decisionmakers.

19 (c) To assure the Legislature and the public that future proposed  
20 park service reductions and closures are appropriate to achieve  
21 any required budget reduction, the California State Auditor  
22 recommended that the department develop individual park  
23 operating costs and update those costs periodically. The California  
24 State Auditor found that the individual park costs should include  
25 all direct and indirect costs associated with operating the park,  
26 and that the aggregated costs of all the individual parks should  
27 correspond with the related fiscal year's actual expenditures  
28 needed to operate the department's park system. Additionally,  
29 when proposing service reductions or closures and to determine  
30 the actual amount of reduction of funds or closures of park units  
31 needed, the department should compare the most recent cost  
32 estimates to the amount the department determines is necessary  
33 to fully operate all 278 parks at the 2010 level.

34 SEC. 2. Section 5004.3 is added to the Public Resources Code,  
35 to read:

36 5004.3. (a) Commencing with the 2015–16 budget proposal,  
37 the department shall annually develop and publish state operation  
38 expenditures for the state park system to assist in the development  
39 of the Governor's annual budget proposal.

1     (b) To supplement the requirements of subdivision (a), the  
2     department, in cooperation with the Department of Finance, shall  
3     provide individual park unit expenditure analyses that detail the  
4     direct and indirect expenditures for each park unit and include,  
5     at a minimum, all of the following:

6     (1) Staffing and operation expenses of each park unit.

7     (2) Costs of administrative activities that are budgeted by the  
8     department and implemented by individual park units.

9     (3) The share of the department's overhead costs, which include  
10    the costs associated with maintaining the department, attributable  
11    to the individual park units. For purposes of this section, overhead  
12    costs include direct and indirect costs to the department of the  
13    park units, as well as the costs to operate the department as a  
14    whole.

15    (4) Expenditures mandated by the department to perform its  
16    core programs, as defined by the department's mission statement,  
17    and incurred by the individual park units.

18    (c) By January 1, 2016, the department shall develop and  
19    implement a plan to annually track park unit expenditures through  
20    department accounting personnel and personnel located at, or  
21    dedicated to, a particular park unit. The plan shall account for,  
22    and list specifically, all expenditures made at park units and shall  
23    report the specific park unit expenditures that were made in the  
24    prior fiscal year, that were made and anticipated to be made in  
25    the current fiscal year, and that are presented in the Governor's  
26    current budget proposal for the next fiscal year. The tracking shall  
27    not include estimates of district allocations made to park units,  
28    but shall reflect unit worksheets, timesheets, statements, and  
29    spreadsheets that document actual park unit expenditures made  
30    by the park unit itself.

31    ~~SECTION 1. Section 5002.4 of the Public Resources Code is~~  
32    ~~amended to read:~~

33    ~~5002.4. The department shall provide a copy of the general~~  
34    ~~plan for any unit of the state park system for which a plan has been~~  
35    ~~prepared to any Member of the Legislature upon request.~~